



Welcome to the 21st Century Project





Meeting Agenda

- *Opening Remarks from Project Leadership*
- *Project Overview*
- *Project Definition / Business Transformation Vision*
- *Project schedule and rollout strategy*
- *Department impacts, roles, and activities for each phase*
- *Technology update*
- *Change management*
- *What's Next*



Opening Remarks from Project Leadership

- *The Business Perspective – Don Scheppmann*
- *The Technology Perspective – Terry Bridges*
- *System Integration (BearingPoint) – Brian Wilson*



Project Overview



What is the 21st Century Project?

The 21st Century Project is a collaborative effort to improve and replace the State's outdated Human Resources systems with:

- *New technology*
- *Improved and automated human resources/payroll business processes*
- *Enhanced access of information to owners*

The project is a joint effort of the State Controller's Office and the administration, and includes State central services, agencies and departments.



State Project Support

- *Supported by the Governor and State Controller*
- *Approved by Department of Finance & Legislature*
- *Supported by state departments*
- *Key business partners*
 - Department of Personnel Administration
 - Department of Finance
 - Department of Technology Services
 - Bureau of State Audits
 - California Public Employees Retirement System
 - State Personnel Board
 - California State University Chancellor's Office
 - Judicial Council



System Support

Software selected – SAP

A proven commercial off-the-shelf HRMS/Payroll system

*Implemented in: Pennsylvania, Arkansas, Washington,
Louisiana and at the Department of Water Resources*

System Integrator selected – BearingPoint

Experience in implementing SAP

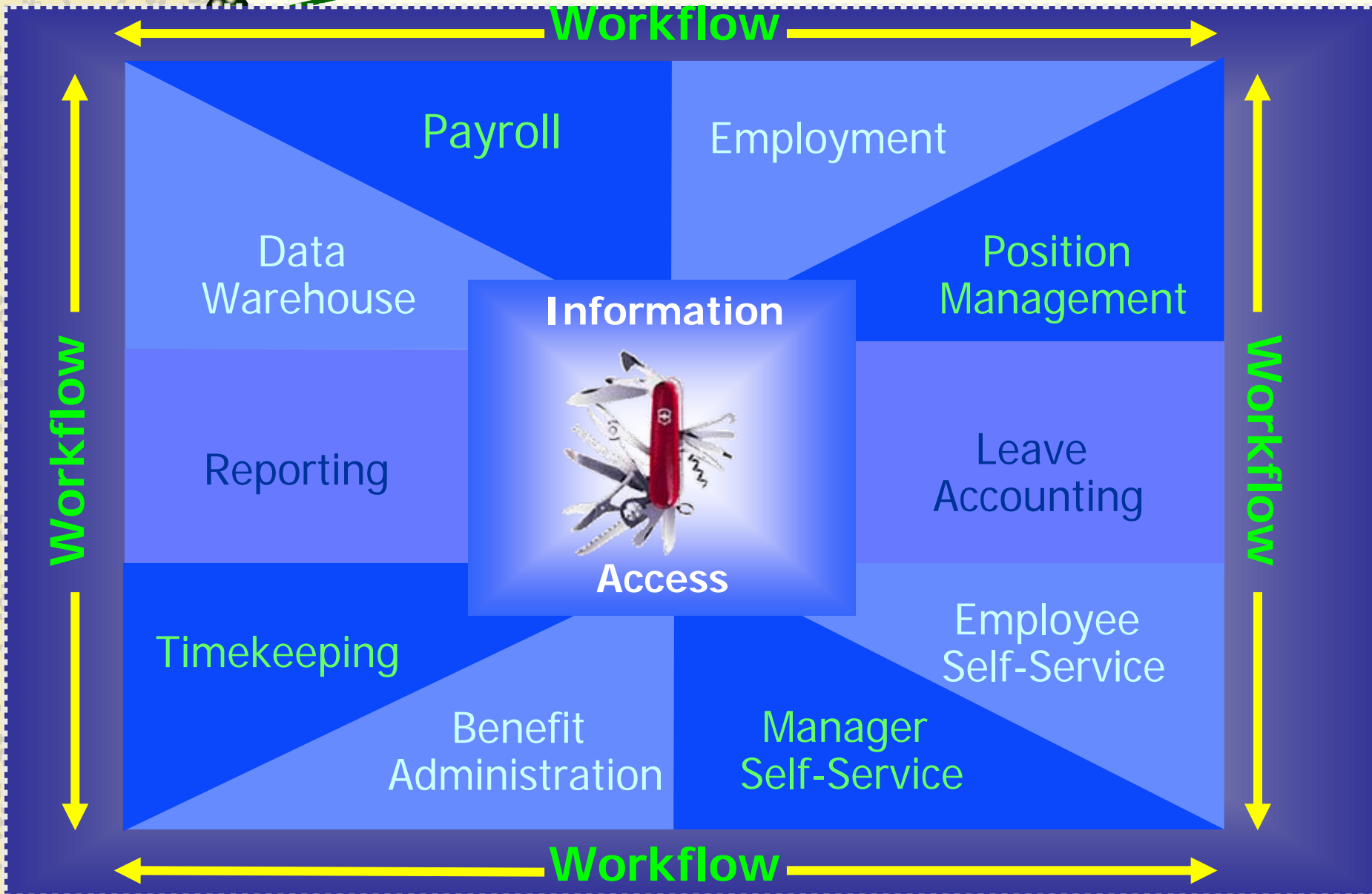
Project planning, system design and implementation



Project Status

- *Letter of Intent issued to BearingPoint on March 13, 2006*
- *Special Project Report approved by DOF on April 11, 2006*
- *Finance Letter approved by DOF on April 11, 2006*
- *Section 11 submitted on April 12, 2006 to Legislature*
- *Legislature approval of Section 11 on May 11, 2006*
- *BearingPoint contract signed on May 25, 2006*
- *Project start-up in June 2006*

Core Business Functionality





Employee Self-Service

Employee Self-Service provides the ability for employees to view and maintain their own human resource and payroll information. This capacity can facilitate timely updates and allow personnel staff and management to focus on more complex activities.

- *Allows employee access 24 hours a day, 7 days a week*
- *Ability to add, delete or change personal information*
- *Submission of Time and Attendance*
- *Maintain personal benefit information (including health)*
- *View, inquire and print current and historical Human Resource and Payroll information*
- *Streamline electronic workflow processing*



Project Definition / Business Transformation Vision



This Project is About...

- ***SAP HR/Payroll Implementation***
- ***Business Transformation***
- ***New Technology***
- ***Integration with Other Systems***
- ***Change Management***



Methodology and
Approach

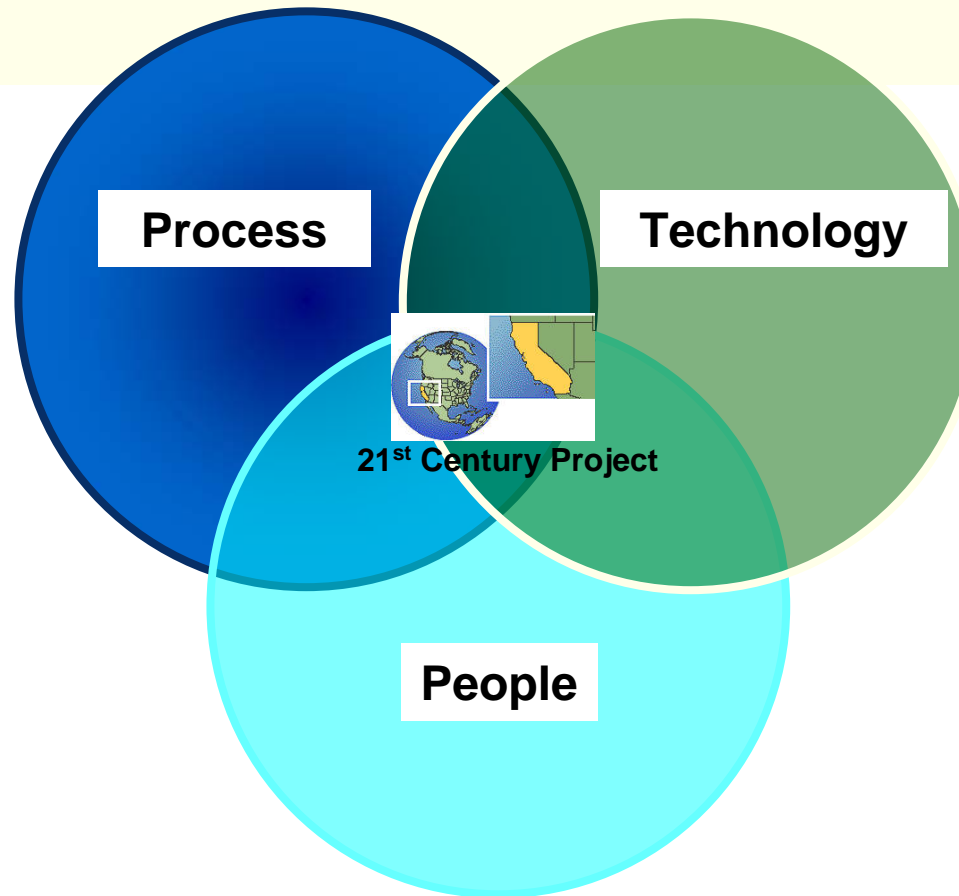
Department
Participation in
Workshops

Integrated
Business
Processes

Solution
Preparation

Implementation
Strategy

Business Transformation Vision



- Integration Infrastructure
- Workflow
- Interfaces
- SAP Functionality
 - Payroll
 - Benefits
 - Personnel Administration (PA)
 - Time Management
 - Basic Organizational Management (OM)
 - Manager and Employee Self-Service
 - Business Intelligence (BI)
 - Workflow

- Functional Knowledge and Expertise
- IT Technical Skills
- Organizational Change Management
- Training



Project Objectives

- *Provide the State of California with a progressive and comprehensive integrated Human Resources Management and Payroll System.*
- *Minimize operational costs and maximize efficiency associated with administering the State's HR/Payroll Functions at departments, DPA, and the Controller's Office.*
 - *Provide readily accessible data to support management decision-making within State processes.*
- *Provide a system that is convenient and easy for all stakeholders to use.*
 - ☞ *Employee Self Service*
 - ☞ *Department to Department*



Project Objectives (continued)

- *Implement uniform statewide enterprise solutions*
- *Standardize Interfaces*
- *Effectively use COTS best business practices*
- *Produce accurate and timely payrolls*
- *Maintain accurate employment history and benefit administration information*
- *Provide integrated HR/Payroll systems*
- *Provide electronic workflow processes*
- *Modernize SCO's existing HR architecture and information infrastructure*
- *Identify Outdated Rules & Practices*



Examples of Outdated Rules and Practices

- *The way absences w/o leave (dock) are calculated*
- *Pay periods of 21 or 22 work days*
- *5 different pay plans (monthly, semi-monthly, and bi-weekly)*
- *Collection of Accounts Receivables*
- *Qualifying pay periods*
- *Multiple ways of counting State Service*
 - ✓ For Leave Accrual
 - ✓ For Layoff
 - ✓ For Retirement
- *Paper approvals*

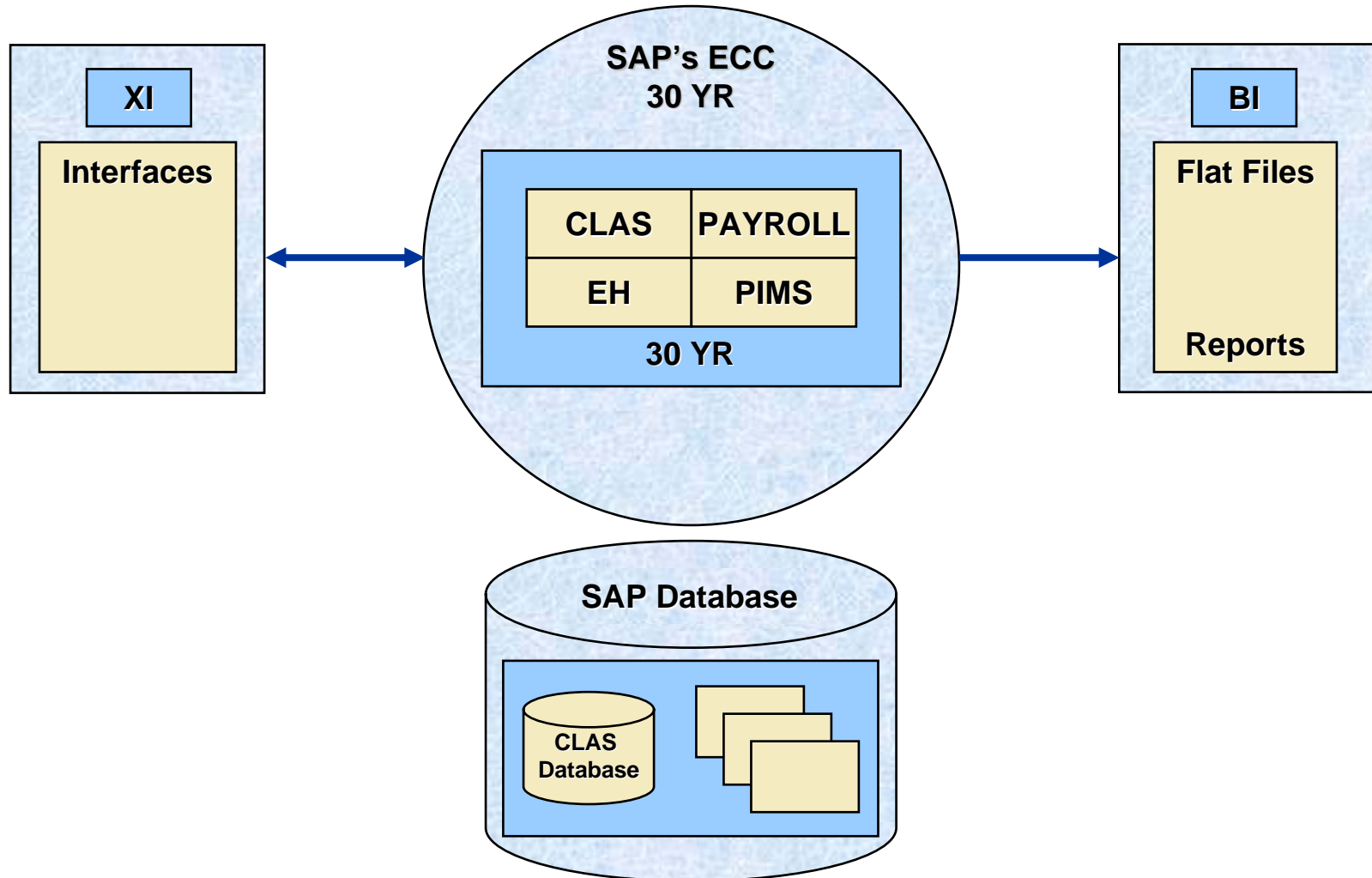
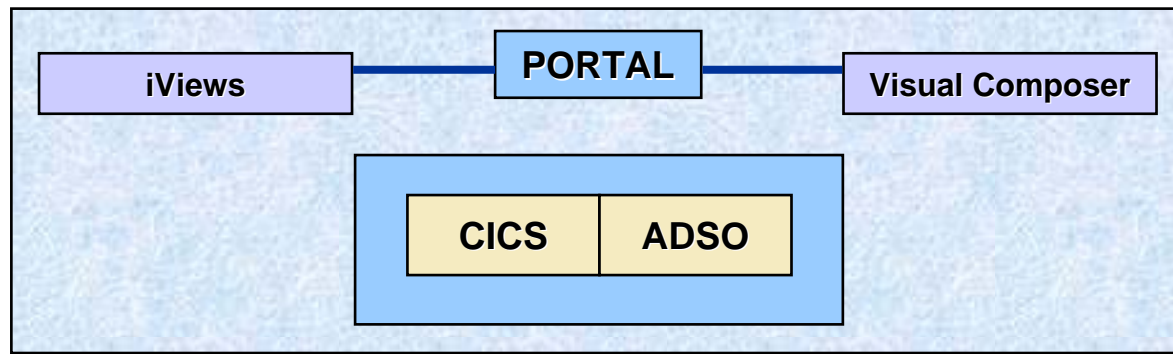


Technology



System's Technology Architecture

- *21st Century solution built on a Multi-Tier Architecture*
 - *Utilizing IBM's - AIX Operating System*
 - *Architecture Based on Industry Standards (HTML, XML, J2EE)*
 - *Operating on IBM's scalable P series servers*
 - *IBM's DB2 relational database*
 - *Hosted at the Department of Technology Services*



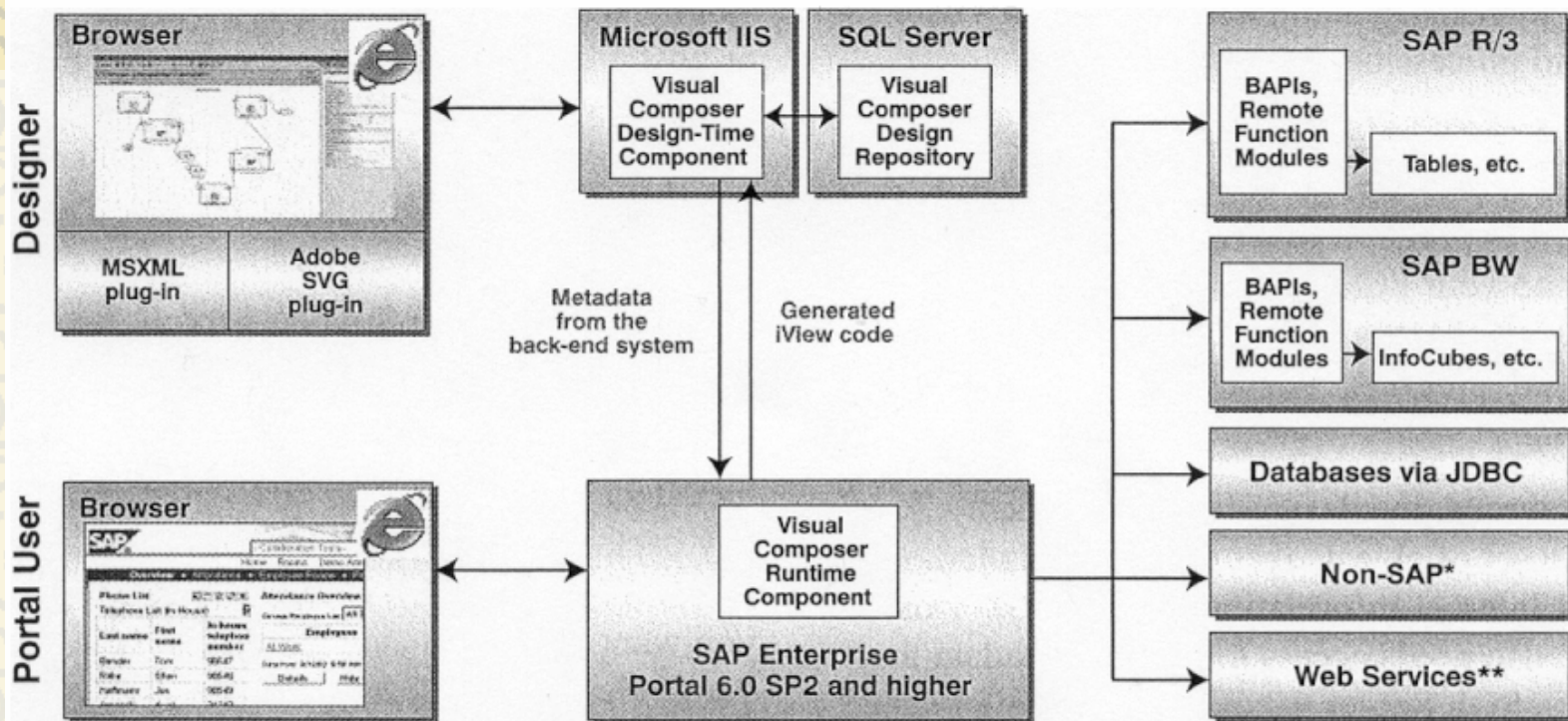


SAP Enterprise Portal

The screenshot shows the SAP Enterprise Portal interface within a Microsoft Internet Explorer browser window. The browser title is "Flash Simulation - Microsoft Internet Explorer". The address bar shows "http://www.21stCentury.ca.gov". The page has a blue header with navigation links: "Home", "Employee Self-Service", "Learning Solution", "My News", "My Mail", "My Workflow", "Expert Profile", and "Expert Search". The "My News" link is highlighted. Below the header, there are several sections: "Stock Quotes" with "IndexWatch" showing DJIA at 10,887.44 and NASDAQ at 2,237.23; "Ticker" with a news item "Employees Receive Additional Two Day Holiday - Every Friday is fre"; "Company News" with a list of links including "The Insider Trade for IDES", "IDES Communications Inc Financials", and "IDES Communications Announces Fourth Quarter Results"; and "Yahoo! Business News" with a headline "GE to sell 38 mln Genworth shares (Reuters)". The footer includes a "Click on My Mail tab" button and a "Restore Steps" button.



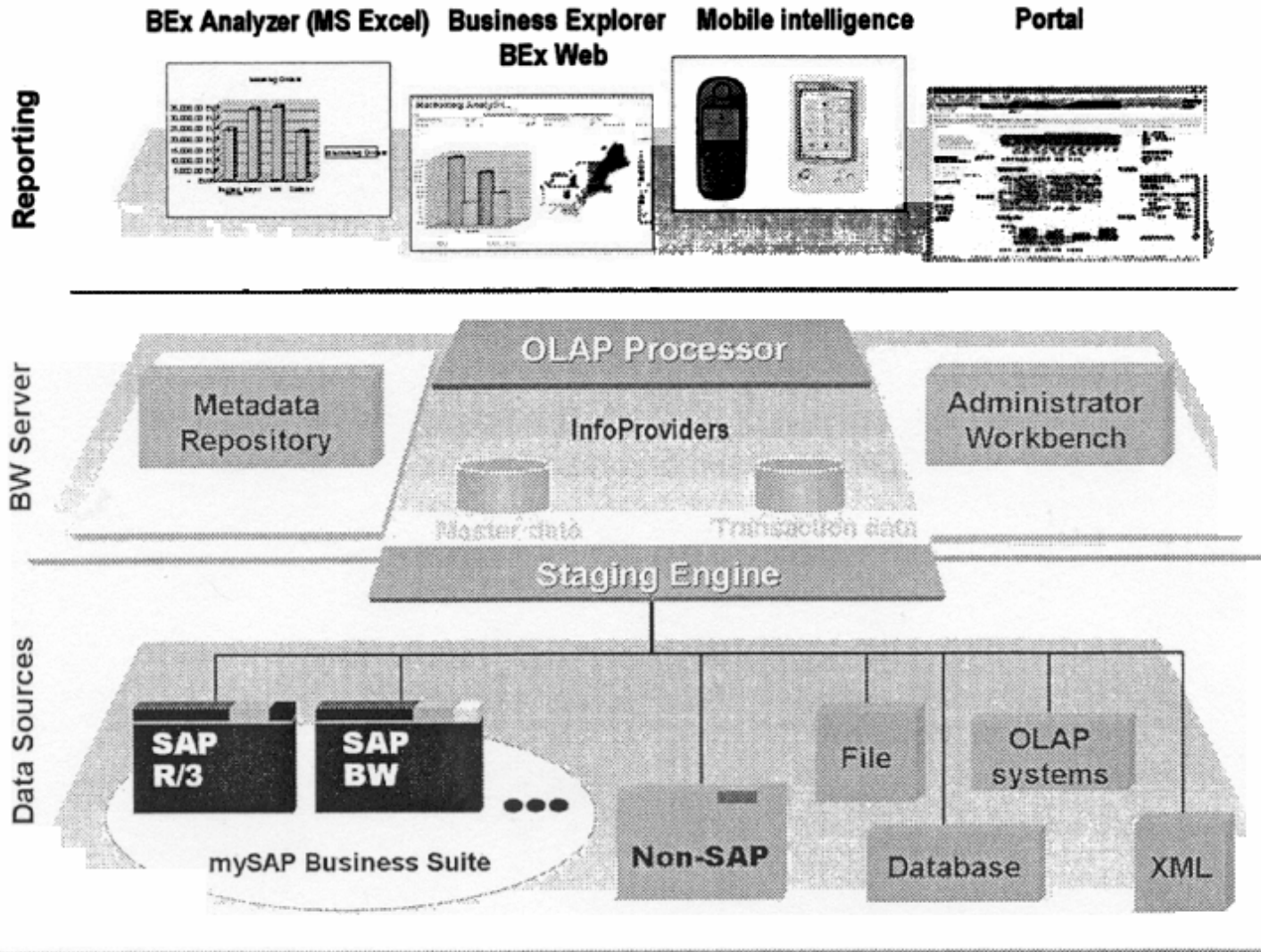
SAP Visual Composer



*** As of SAP Enterprise Portal 6.0**
**** Available in the next major release**

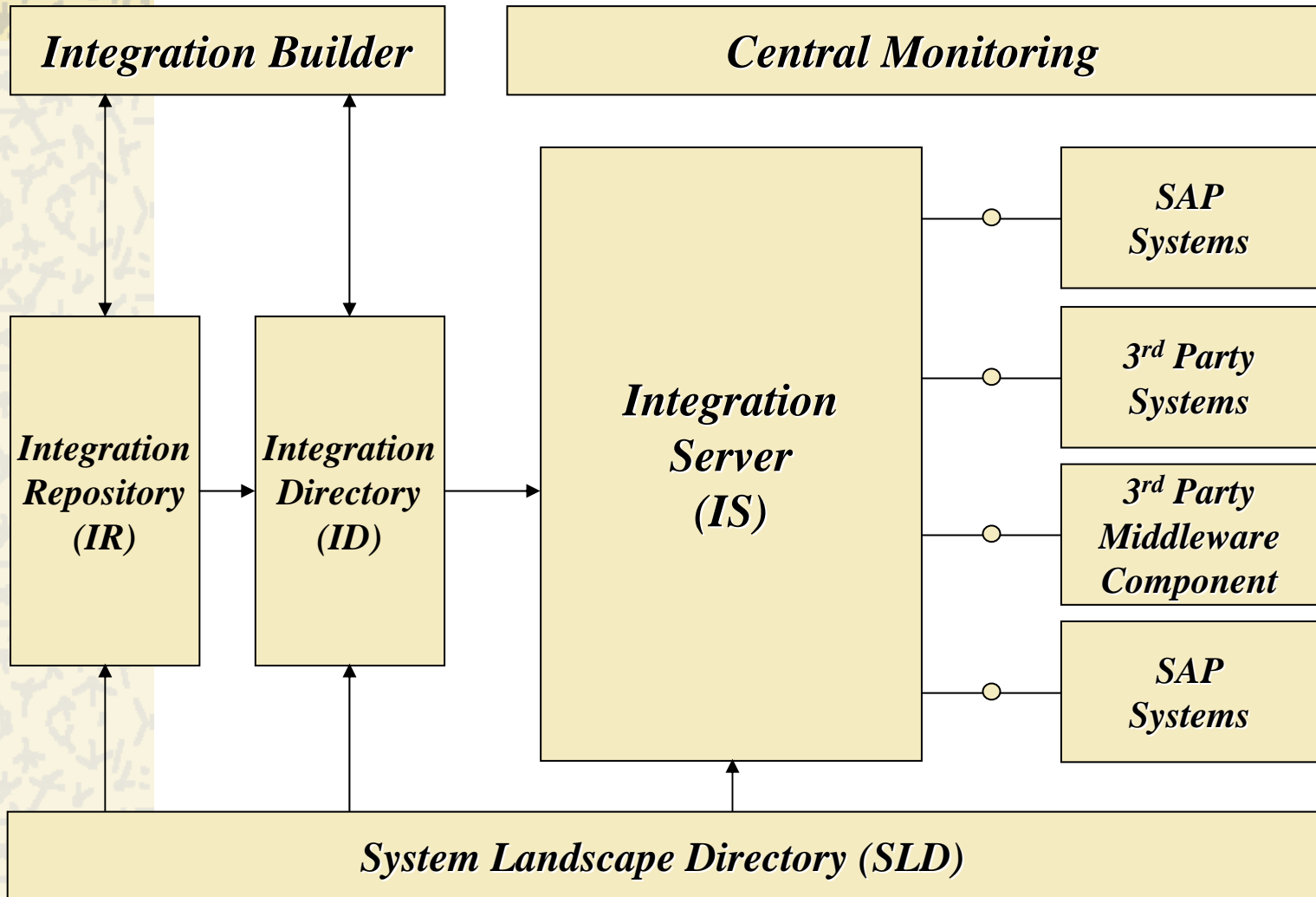


SAP Business Intelligence





SAP Exchange Infrastructure (XI)





Going Forward

- ***Technology Hosted DTS***
 - *Installing the Hardware, OS and DBMS*
 - *Loading and Configuring SAP's Software*
 - *Engineering and Implementing System Security*
 - *Future Environments*
- ***Preparing For The Change***
 - *Agency Profiles*
 - *Fit Gap / Implications to the Agency*
- ***Deployment***
 - *Confirming Readiness*

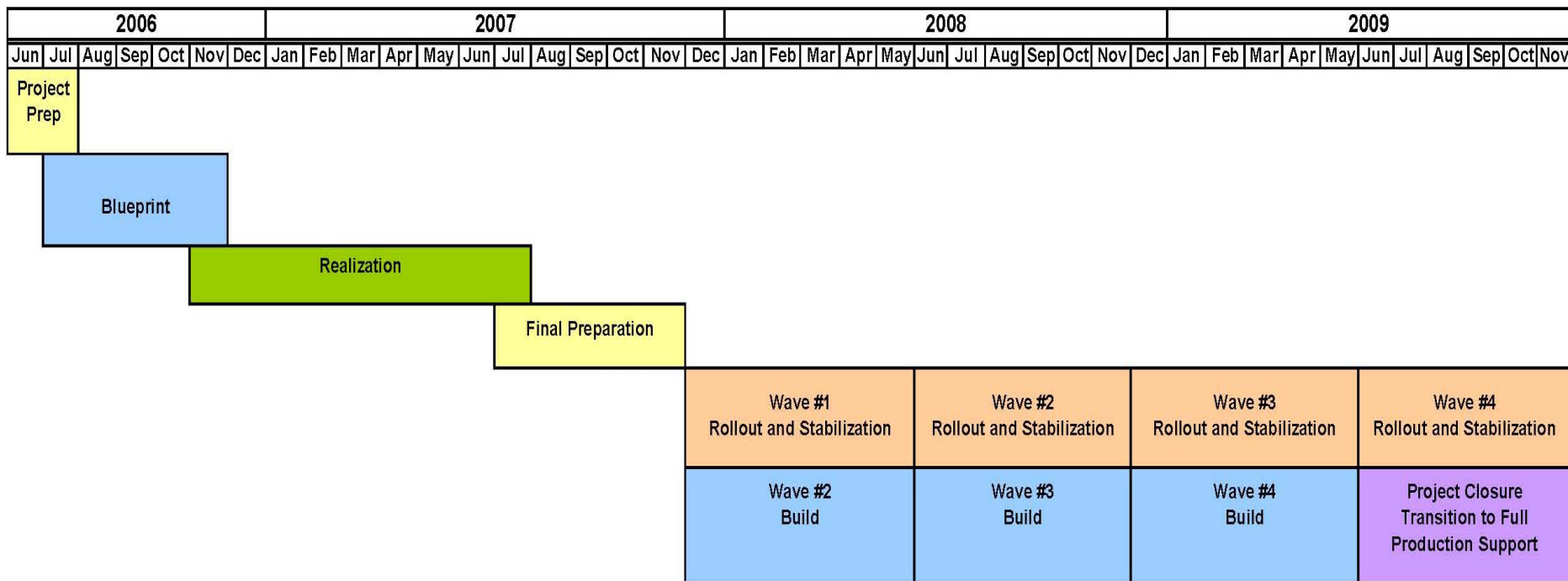


Project schedule and rollout strategy



21st Century Project – Timeline

System Design and Implementation





Department impacts, roles, and activities for each phase



Project Preparation
June – July, 2006

- *Provide executive leadership and support*
- *Update Department liaisons contact lists*
- *Continue to attend stakeholder meetings*
- *Start talking about the project at your department*
- *Encourage viewing the 21st Century Project Web site*
- *Respond to any surveys or inquiries*
- *Support inquiries into blueprint phase participation*



Blueprint July – November, 2006

- *Participate in individual blueprinting sessions*
- *Participate in fit-gap analysis*
- *Participate in Risk and Readiness Assessment activity*
- *Participate in designing the Future-State Department Model*
- *Participate in Communication Awareness and Feedback events*
- *Capture specifications for interfaces with special business partners*
- *Develop agency profiles*



Realization

November 2006 – July 2007

- *BPI, Configuration, Design Workshops, Development*
- *Testing – Integration, System*
- *Start user Acceptance Testing*
- *Work to gain acceptance*



Final Preparation
July – November, 2007

- *Assign department roles*
- *Schedule end-user training enrollment*
- *Establish department help desk*
- *Finalize department organizational structure*
- *Complete workflow verifications*
- *Complete User Acceptance testing*
- *Internal department communications*
- *Managers and Supervisors participate in pre-go-live events*
- *Participate in assigning workforce and workplace readiness activity*
- *Change business practices*
- *Instruct employees*



Waves #1 - #4
Rollout and Stabilization

Next Wave Build

- *Department user support*
- *Monitor and track internal department training*
- *Support department change management*
- *Manage user expectations*
- *Technology support*
- *Security support*



Waves #4
Rollout and Stabilization

Project Closure, Transition to
Full Production Support

- *User Support and Help Desk*
- *Department administrative maintenance*
- *Organizational change updates*
- *Security authorization*
- *End-user training identification*
- *E-learning tracking and support*
- *Support and track refresher training needs*



Change Management



Change Management When Change Is Effective...

- *Leaders are **actively involved** throughout the project*
- *All parties use **agreed-upon processes** for making decisions, solving problems, and resolving conflict*
- ***Employees understand** what the impact of change will mean personally for them*
- *People with a stake in the change are engaged in **addressing the real issues***
- ***Workforce is trained and has the right skills & knowledge** to perform in the new environment*



Change Management

When Change Is Effective... (continued)

- *Employees know their project roles and responsibilities and the effects on people are considered with every major project decision*
- *Focused and timely communications*
- *Workforce changes are considered and planned for early on*
- *Change work is integrated seamlessly within program and project management*
- *All project team members play a key role in change activities*



Department Impacts

- *Electronic position establishment*
- *Automated position management*
- *Time reporting by employees through ESS*
- *Electronic workflow and approvals*
- *New processes in personnel/payroll*
- *New business practices*
- *Department training*
- *New roles in departments*
- *Manager/supervisor access to employee information*
- *Tight security in systems*



Project Impacts

- *Business changes throughout State Government*
- *Enhanced reporting*
- *Flexibility in delivering new functionality*
- *Employee ownership of personal information with 24-7 access*
- *Unique position number that allows positions to be tracked*
- *New technology allowing for future system enhancements*
- *On-line HR information access for employees, supervisors and managers*



Project Policies

- ***21st Century Project functionality mandated***
 - *Timekeeping systems with unique functionality not mandated but will require interface*
- ***Avoid software customizations***
- ***Use Out-of-the-Box functionality***
- ***Standard interfaces***
 - *Will not support department-specific systems*
- ***Data Conversion into mySAP***
 - *2 years history for:*
 - *Employment*
 - *Payroll*
 - *CA Leave Accounting System (CLAS)*



What's Next

- ***Business Blueprint Workshops (July – November 2006).***
 - ✓ *Select participants/Subject Matter Experts (SMEs)*
 - ✓ *Schedule Workshops*
 - ✓ *Conduct Workshops*
 - ✓ *Document Results*



Participating in system blueprinting

Blueprinting is an opportunity to participate and have a voice in the future system design.

We're looking for individuals who have:

- Capacity to identify as-is department processes*
- Ability to think creatively*
- A detailed understanding of their functional area*
- Effective communication and teaming skills*
- Dedication to improving State operations*

Talk to us today (complete an interest form)



What's Next (continued)

- ✓ *Recruit and retain project staff members*
- ✓ *Start system configuration and development*
- ✓ *Continue communications effort with stakeholders*
- ✓ *Continue discussions with control agencies and business partners*
- ✓ *Continue discussions with departments who administer affected statewide programs*



Questions?

For information about the 21st Century Project and a description of each new function please refer to the State Controller's Office Web site at:

WWW.21stCentury.CA.GOV

Questions or comments can be email to:

21stCentury@sco.ca.gov